IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH.

I.T.R. No.170 of 1999
Date of decision: 07.12.2006

Commissioner of Income-tax, Chandigarh.

-----Applicant

Vs.

Smt. Roshni Devi, Chandigarh.

-----Respondent

CORAM:- HON'BLE MR JUSTICE ADARSH KUMAR GOEL

HON'BLE MR JUSTICE RAJESH BINDAL

Present: Mr. S.K. Garg Narwana, Advocate for the revenue.
Mr. Rajesh Garg, Advocate for the assessee.

ORDER:

Following question of law has been referred for opinion of this Court by the Income Tax Appellate Tribunal, Chandigarh Bench, Chandigarh, arising out of its order dated 03.10.1997 in I.T.A. No.1535/Chandi/1993 in respect of assessment year 1992-93:-

> "Whether, on the facts and in the circumstances of the case, the ITAT was right in law in holding that the transaction of allotment of property to the assessee on instalment basis does give rise to the relationship of borrower and lender between the assessee and the Estate Officer and that interest paid by the assessee on instalments constitutes interest on borrowed capital deductible from income from house property u/s 24(I) (vi) of the Income-tax Act, 1961?"

It is not disputed that the question of law, referred, has been decided by this Court in ***Commissioner of Income-tax v. Sunil Kumar Sharma*** (2002) 254 ITR 103 and ***Commissioner of Income Tax*** **v**. ***Master Sukhwant Singh*** (2006) 155 Taxman 153 against the revenue and in favour of the assessee.

In view of above, the question referred is decided against the revenue and in favour of the assessee.

The reference is disposed of.

(ADARSH KUMAR GOEL)
JUDGE

December 07, 2006
ashwani

(RAJESH BINDAL)
JUDGE